

Message Text

CONFIDENTIAL

PAGE 01 STATE 276337

47

ORIGIN EB-03

INFO OCT-01 ISO-00 /004 R

666

DRAFTED BY: EB:NLPZDRAL:DA

APPROVED BY: EB:NLPZDRAL

DESIRED DISTRIBUTION: EB, ISO (ONLY)

----- 123866

R 212110Z NOV 75

FM SECSTATE WASHDC

TO USMISSION OECD PARIS

C O N F I D E N T I A L STATE 276337

FOR ASSISTANT SECRETARY ENDERS ON HIS RETURN

FOLLOWING TEL SENT ACTION SECSTATE, SECTREAS INFO JIDDA
FROM CAIRO NOV 20:

QUOTE C O N F I D E N T I A L CAIRO 11794

SECSTATE FOR SECRETARY KISSINGER; SECTREAS FOR SECRETARY
SIMON FROM PARSKY; JIDDA PASS PARSKY

E.O. 11652: GDS

TAGS: USEGJC EINV EAID

SUBJECT: PARSKY VISIT TO EGYPT

1. ASST SEC PARSKY AND USDEL HELD DAY-LONG MEETING OF
US-EGYPTIAN JWG ON FINANCE AND COMMERCE NOV 18. PARSKY
AND AMBASSADOR ALSO MET WITH PRIME MINISTER SALEM
THIS MORNING (SEPTEL). AT DINNER HOSTED BY PARSKY LAST
EVENING FOR MINISTER ECONOMIC COOPERATION SHAFEI,
EGYPTIAN TURNOUT WAS VERY GOOD.

2. EGYPTIAN SIDE WAS CHAIRED BY SHAFEI AND INCLUDED
REPRESENTATIVES FROM MINISTRIES OF FINANCE, INDUSTRY,
ECONOMY AND GENERAL AUTHORITY FOR ARAB AND FOREIGN
INVESTMENTS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 276337

3. MEETING FOCUSSED ON THREE AREAS: SPECIFIC INVESTMENT PROJECTS; IMPROVEMENTS NEEDED IN INVESTMENT CLIMATE; AND PROPOSED TECHNICAL ASSISTANCE PROJECTS.

A) SPECIFIC PROJECTS: USG HAD CONTACTED ABOUT 40 FIRMS BEFORE VISIT AND PARSKY RAISED MOST OF THEM IN MEETING. HE FOCUSSED ON FOUR PARTICULAR ONES AND TRANSMITTED PAPER OUTLINING CONCERNS OF AMERICAN BUSINESS COMMUNITY. EMPHASIS WAS BASED ON \$35-40 MILLION GOODYEAR PROJECT INVOLVING 50 PERCENT GOODYEAR AND 50 PERCENT ARAB EQUITY. TWO PRINCIPAL HURDLES ARE EQUITY POSITION AND PROVISION BY GOE OF ADEQUATE FOREIGN EXCHANGE FOR IMPORTED RAW MATERIALS. EGYPTIANS AGREED TO SPECIFIC TIMETABLE FOR CONSIDERATION OF THIS AND OTHER PROJECTS.

B) INVESTMENT CLIMATE: PARSKY MADE SUGGESTIONS RE CHANGES NEEDED IN INVESTMENT LAW AND LEFT DOCUMENT ON THE SUBJECT.

C) TECHNICAL ASSISTANCE PROJECTS: PARSKY PROPOSED FOUR SUCH TA PROJECTS: 1) PROJECT DEVELOPMENT CAPABILITY -- EGYPTIANS ASKED TO HAVE THREE US PEOPLE COME TO MINISTRY OF ECONOMY TO ASSIST FORD FOUNDATION CONSULTANTS ALREADY ENGAGED THERE; 2) STATISTICS PROGRAM -- EGYPTIANS WOULD LIKE US TO DEVELOP ASSISTANCE IN UNDERTAKING CENSUS AND DEVELOPING INDUSTRIAL STATISTICS; 3) PORT IMPROVEMENT -- EGYPTIANS WOULD LIKE ASSISTANCE IN CUSTOMS PROCEDURES; 4) TAX ADMINISTRATION -- WE AGREED TO SEND MAN TO EGYPT IN JANUARY AND WILL RECEIVE SIX EGYPTIANS FOR TRAINING.

4. COMMENT: VISIT WAS WELL RECEIVED. DISCUSSIONS WERE FRANK AND COMPREHENSIVE. THEY IDENTIFIED PROBLEM AREAS, AS EGYPTIANS SEE THEM, AND EXPLORED POSSIBLE WAYS OF MEETING THEM. CONTINUING USG INTEREST IN DEVELOPMENT OF EGYPTIAN ECONOMY MUCH APPRECIATED BY EGYPTIANS AS EVIDENCED BY THEIR TURNOUT AT JWG MEETINGS, DINNER (THREE MINISTERS PRESENT) AND BY RECEPTION WHICH PRIME MINISTER SALEM ACCORDED PARSKY. WHILE ALL OF THE PROBLEMS ASSOCIATED WITH VARIOUS PROJECTS COULD

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 276337

NOT BE RESOLVED IN SHORT TIME, GOOD PROGRESS WAS MADE. FOLLOW UP BY COMPANIES, ASSISTED BY EMBASSY, WILL BE NECESSARY. PARSKY PRESS CONFERENCE THIS MORNING WELL ATTENDED BY LOCAL AND AMERICAN PRESS REPRESENTATIVES, WHO EXPRESSED APPRECIATION FOR HIS CANDID REVIEW OF USG INTEREST IN SEEKING TO ASSIST EGYPT.

5. EMBASSY WILL SEND DETAILED ACCOUNT OF TALKS
BY AIRGRAM. ALSO NEED FOLLOW-UP IN US WITH COMPANIES.
EILTS UNQUOTE KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, INVESTMENT CLIMATE, TECHNICAL ASSISTANCE, ECONOMIC COOPERATION, VISITS, INVESTMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 21 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: woolflhd
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE276337
Document Source: CORE
Document Unique ID: 00
Drafter: EB:NLPAZDRAL:DA
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750408-0163
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751123/aaaaauio.tel
Line Count: 118
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: woolflhd
Review Comment: n/a
Review Content Flags:
Review Date: 29 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 MAY 2003 by ShawDG>; APPROVED <30 DEC 2003 by woolflhd>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PARSKY VISIT TO EGYPT
TAGS: EINV, EAID, US, EG, USEGJC, (PARSKY, GERALD L), (SALIM, MAMDUH MUHAMMAD),
To: OECD PARIS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006